VA Life Insurance Briefing

AFCPE Military Pre-Conference

Scottsdale, AZ

November 16, 2009

Servicemembers' Group Life Insurance (SGLI)

- $400,000 maximum coverage
- Premium is 6.5 cents per $1,000 ($26.00/month for max + $1 TSGLI)
- Automatic coverage upon enlistment or change in duty status
- Can decline or choose less coverage in writing
- Available in increments of $50,000
- Remains in effect for 120 days following separation (unless member is totally disabled and is eligible for free extension)

Key Points About SGLI

- If SGLI declined, TSGLI and FSGLI also declined
- Make sure beneficiary designation is current
- SGLV 8286 to designate beneficiary, reduce or decline coverage
- SGLV 8285 to elect coverage when previously declined or increase coverage when less than maximum taken
- Proceeds are not taxable

SGLI Traumatic Injury Protection (TSGLI)

- Provides rapid financial assistance to those suffering serious traumatic injuries
- Automatic with SGLI coverage – premium is $1/month
- Benefit ranges from $25K - $100K
- Retroactive to Oct. 7, 2001 if loss incurred in OEF/OIF
- Recent program expansions
- Benefit is not taxable

Family SGLI (FSGLI)

- Automatic coverage for spouse and dependent children when member is covered under SGLI
  - Spouse—maximum of $100,000 or member's SGLI coverage amount, whichever is less
  - Dependent Child—$10,000 free coverage
- Spousal coverage - can be declined or reduced
- Spousal premiums are based on age (must be registered in DEERS)
- Child coverage cannot be declined

Key Points About Family SGLI

- Service member is automatic beneficiary
- Child coverage is automatic with SGLI, regardless of spousal coverage
- SGLV 8286A to decline or reduce spousal coverage
- SGLV 8285A to elect coverage when previously declined or increase coverage when less than maximum taken
- Proceeds are not taxable
- Can convert to commercial policy

SGLI Disability Extension

- Must be totally disabled at time of separation
- Extends SGLI coverage for two years from discharge or until no longer totally disabled, whichever occurs first
- Member must apply
- No cost to member
- Automatically converted to VGLI

Veterans' Group Life Insurance (VGLI)

- Allows separating service members to continue their life insurance coverage after separation from service
- Lifetime renewable term insurance
- Maximum coverage = amount of SGLI at time of member's separation from service
- Premiums increase with age
- Convertible to a commercial policy at any time
- Member must apply for VGLI
- Coverage in increments of $10,000

Key Points About VGLI

- Particularly important benefit for disabled service members
- Great transition insurance
- Must apply within 1 year and 120 days from date of release from service
  - within 120 days, no health review
  - after 120 days, must show good health
- SGLV 8714—Application for Veterans' Group Life Insurance
- Proceeds are not taxable

Service-Disabled Veterans Insurance (S-DVI) aka RH

- $10,000 maximum coverage
- Discharged after April 25, 1951
- No dishonorable discharge
- Service-connected disability rating (even 0%)
- Must apply within 2 years of notification of approval for a *NEW* service-connected disability (VA Form 29-4364, “Autoform”)
- Must be in good health except for service-connected conditions

Service-Disabled Veterans Insurance (S-DVI)

- New service connection = new eligibility
- No new eligibility with increased rating
- No new eligibility with Individual Unemployability (IU) rating
- Totally disabled policyholders may have premiums waived
- $20,000 supplemental coverage for totally disabled (must pay premiums for supplemental coverage)

Supplemental Service-Disabled Veterans Insurance (SRH)

- Up to $20,000 of extra insurance coverage
- Available to totally-disabled RH policyholders whose premiums have been waived
- Must apply within 1 year of waiver approval
- Must be under age 65
- Same plans and premium rates as RH
- SRH premiums can’t be waived

Veterans' Mortgage Life Insurance (VMLI)

- Available to disabled service members or veterans approved for SAH grants
- Maximum available coverage: $90,000
- Payable only to mortgage company
- Decreasing term coverage
- Coverage cannot be issued after age 69
- VA Form 29-8636—Application for Veterans' Mortgage Life Insurance

Insurance Web Site

United States
Department of Veterans Affairs
VA Home
About VA
Organizations
Apply Online
Find a Facility
Contact VA
Search
Health Care
Benefits
Burial & Memorials
Life Insurance Home
Servicemembers' & Veterans Group Life Insurance
All Other VA Life Insurance
Online Policy Access
Find a Form
Life Insurance Publications & Handbooks
Life Insurance Tools
LIFE INSURANCE
Life Insurance Home
Our insurance programs were developed to provide insurance benefits for veterans and servicemembers who may not be able to get insurance from private companies because of the extra risks involved in military service, or a service connected disability.
How can I ...
Download SGLV 8286
Convert my SGLI policy to VGLI
Access my policy information online
Find an insurance form
Change my Family SGLI coverage amount
Review my life insurance options
Apply for Service-Disabled Life Insurance Online
Hot Issues
Traumatic Injury Protection (TSGLI)
SGLI Disability Extension Increased to Two Years
Did You Know?
If you have an SGLI policy and are totally disabled when you separate from service,

www.insurance.va.gov

Insurance Resources

- VA Life Insurance Handbook
  - Detailed descriptions of all VA Life Insurance programs
- SGLI VGLI Handbook
  - Information about the SGLI and VGLI programs

VA Insurance Point Of Contact

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Questions?